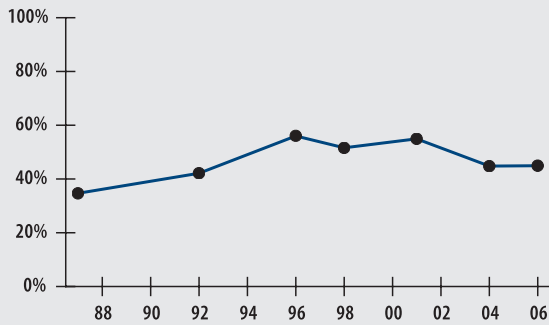
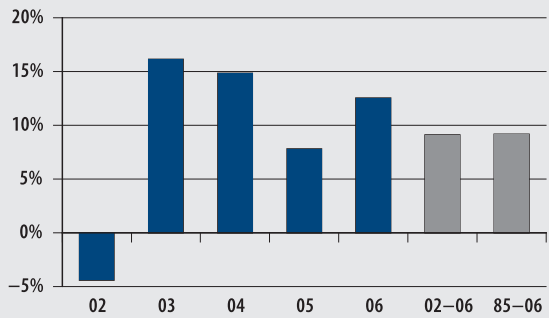


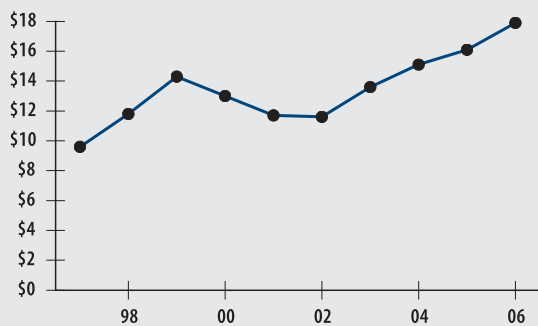
► **Funded Ratio (1987-2006)**



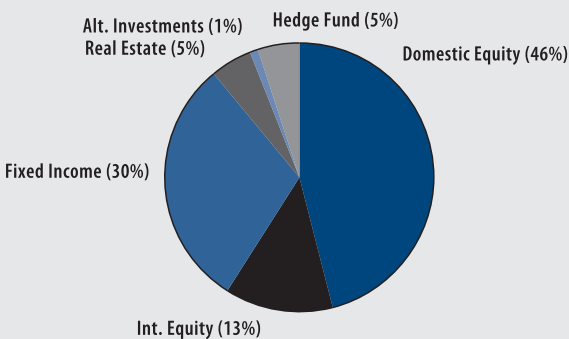
► **Investment Return (2002-2006, 5 Year and 22 Year Averages)**



► **Asset Growth (1997-2006) (Market Value in Millions)**



► **Asset Allocation (12/31/06)**



► **ACTUARIAL**

• Funded Ratio	45.0%
• Date of Last Valuation	01/06
• Actuary	PERAC
• Assumed Rate of Return	8.00%
• Funding Schedule	4.5% Increasing
• Year Fully Funded	2028
• Unfunded Liability	\$18.6 M
• Total Pension Appropriation (Fiscal 2007)	\$1.5 M

	Active	Retired
• Number of Members	224	126
• Total Payroll/Benefit	\$6.8 M	\$1.9 M
• Average Salary/Benefit	\$30,400	\$15,000
• Average Age	46	72
• Average Service	10.9 years	NA

► **INVESTMENT**

Domestic Equity

- Independence Mid Cap Core Fund
- Independence Small Cap Fund
- RhumbLine Russell 1000 Pooled Index Fund

International Equity

- INVESCO IRT International Equity Fund

Domestic Fixed Income

- Loomis Sayles Investment Grade Fixed Income Fund

Real Estate

- PRIT

Alternative Investments

- PRIT

Absolute Return

- PRIT

Consultant

- Wainwright Investment Counsel, LLC

Custodian

- Investors Bank & Trust

► 2006 Return	12.56%
► 2006 Target	8.70%
► 2006 Market Value	\$17.9 M
► 2002-2006 (Annualized)	9.13%
► 1985-2006 (Annualized)	9.17%